offshore areas, it is payable at the rate of 10% for oil and natural gas. Royalty for discoveries in deep water areas beyond 400m, iso-bath will be chargeable at half the applicable rate for offshore areas for the first seven years of commercial production.

(xiii) Fiscal stability provision in the contract.

(xiv) Freedom to the contractor for marketing of oil and gas in the domestic market.

(xv) To facilitate investors, a Petroleum Tax Guide (PTG) is in place.

Bid terms:—

* Work programme commitment.

* Profit petroleum share expected by the contractor at various levels of pre-tax multiple of investments reached.

* Percentage of annual production sought to be allocated towards cost recovery.

Increase in Price of LPG

1051. MISS SAROJ KHAPARDE: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have increased the LPG prices reoently;

(b) if so, the increase in prices during last five years;

(c) the cost of production per cylinder during the above period; and

(d) the details of steps taken by Government to control costs by efficient management?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) to (d) The ex-storage point price of LPG (packed Domestic) was increased by Rs. 14 per cylinder (Rs. 985.92 per MT) onlv exclusive of duty, sales tax and other local levies effective midnight of 31st' January/1st February 1999. The price been been revised downward effective mid night of 27th/28th Feb. 1999 consequent to changes announced in the Union Budget. The details of the increase in the prices of LPG (Domestic) during last five years are given in the enclosed Statement *(see* below)

The cost of production of indegenous LPG varies from refinery to refinery depending upon the level of crude thruput, pattern of production, delivered cost of crude oil, the cost of processing/ refining and the return of capital employed etc. LPG is imported as the country is deficit in LPG. The estimated GIF cost of imported bulk LPG during the last five years are as under:

Year	Rs./MT
1993—94	5379
1994—95	6948
1995—96	7827
1996—97	10893
1997—98	•8306

Cost control is a continous exercise. The oil companies are taking steps in this respect which interalia, include increased capacity utilisation, better inventory control, improved refinery yield etc.

Statement

Data on LPG Packed (Dontestic) Prices

Date	Ex-Storage Point Price (RS/MT)	Increse/(-) Decrease (RS/MT)
Prior to 12/194	5135.88	
12.1.94	6192.22	1056.34
14.1.94	5840.11	-352.11
1.3.94	5309.19	

3.7.96	6901.95	1592.76
2.9.97	7958.29	1056.34
1.2.99	8944.21	985.92

Notes:—

1 Ex Storage Point Prices are Exclusive of Excise Duty Effective 1.3.1994.

2 No Changes in Retail Selling Price on 1.3.1994 as a Result of Restructuring of excise duty.

Expansion Work at Haldia Oil Refinery

1052. SHRIMATI CHANDRA KALA PANDEY.
SHRI DIPANKAR MUKHERJEE:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the existing capacity of Haldia Oil Refinery of Indian Oil Corporation;

(b) capacity proposed to be augmented, new products envisaged in the "major expansion work" as reported in the news-item "Package for Bengal announced" in Business Standard, Calcutta dated 11.2.99;

(c) the Estimated cost, completion time, zero date *of* the expansion project; and

(d) whether PIE clearance has been obtained; and if not, the tentative project schedule as on date?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHIR SANTOSH KUMAR GANGWAR:) (a) The exsiting installed capacity of Haldia Refinery is 3.75 MMTPA.

(b) Following major expansion projects are under implementation at Haldia Refinery.

(i) A new Vacuum distillation Unit (VDU)
(ii) NMP Extraction Unit.
(iii) Incorporation of ROSE technology in propane Deashalting Unit.
(iv) Production Facilities of Micro-Crystalline Wax as New product.
(v) Fluidised Catalytic Crackihg Unit (FCCU).

(c) and (d) Estimated cost, Completion schedule, Zero date and status of PIE clearance is given in the enclosed statement.

Statement

Products Under Implementation

SI. No.	Name of Project	Cost (Rs. Crore)	Date of Final Approval	Completion Time	Approving Authority
1.	New Vacuum Distillation Unit	90.0	28.1.98	36 Months From Approval: Feb' 2001	IOC Board
2.	New NMP Extraction Unit	45.0	4.4.96	30 Months From Approval- Under Commissioning	IOC Board